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CENTRAL INTELLIGENCE AGENCY OFFICE OF NATIONAL ESTIMATES

10 March 1971

MEMORANDUM FOR THE DIRECTOR (Revised Draft for Board Consideration)

SUBJECT: Potential Problems Which Might Affect US Interests in Certain Countries Abroad

INTRODUCTION

1. This paper directs attention, not to crises already upon us, but to countries and areas where there is reason for concern that serious troubles may develop in the future. Thus we do not include here such subjects as the Arab-Israeli situation, the Vietnamese war, the violence in Northern Ireland, the policies of the Allende regime in Chile, Soviet-Cuban affairs, military deployments along the Sino-Soviet frontier, problems of Berlin and Germany, and Libya's confrontation with the US oil companies. The cases which we do discuss in this memorandum are treated only in their essentials; we have therefore cited some recent or pending CIA publications which consider certain of them in greater detail (See Annex which follows page 34).

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Criteria for Selection

2. We have applied three criteria in deciding upon the cases we treat beginning on page 5.

Likelihood. We can identify conditions or predict circumstances in which serious trouble may develop. For the most part, we are not dealing here with near-certainties or even with probabilities. Rather we are in the realm of the "strong possibility" (i.e., chances of perhaps one in three or one in four).

Importance. We can be confident that the developments projected would, in each case, have appreciable effect on US interests. This effect could be in the form of specific threats to tangible things (e.g., abrogation of US base rights or seizure of the assets of a US company). Or it could be in the form of general repercussions (e.g., a change which imperils US relations with other countries in a region or complicates the US relationship with the USSR or some other major power).

Imminence. We can foresee that the developments might occur fairly soon. With respect to timing, there may be considerable variation from case to case; the change projected could take place abruptly in some cases; more gradually in others. Generally speaking, we are trying to look shead a year or two.

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Patterns and Hazards

- 3. Both the existing circumstances and possible developments differ widely, of course, across the range of countries discussed. Yet in many of the cases there are common threads. Among these is the geriatric factor -- the control and governing in the case of a number of countries by one aged (or ill-and-aged) man who has not provided effectively for an orderly succession. Other threads, each evident in some few of the places discussed, are: (a) sharpening internal tensions among political or tribal groupings, (b) new manifestations of anti-US nationalism, and (c) increasing tendencies to revolutionary or insurgent action.
- 4. The hazards associated with the kind of predicting we attempt here are considerable. The world itself has always been a chancey and uncertain place; the pace of change within its parts has now become increasingly swift, and the form of change increasingly eccentric. Institutional and ideological factors, which had long served as stabilizers or regulators, are losing some of their force and relevance; factors of opportunism and caprice seem to be gaining ground. Technological advances, running farther and farther ahead of advances

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in the social and political spheres, add to the disruptive effect. The communications explosion has already transformed the way in which events in one part of the world can interact with events in another; conflicts and rebellions now seem to be more contagious, even if less purposeful.

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LATIN AMERICA

General Comments

Latin America has long been a region of political turmoil and upheaval, but most of this has produced little enduring change. Now a more basic revolutionary process seems to be gathering momentum. and it is accompanied by a strong upsurge in anti-US sentiment. Pressures for nationalization of US companies (as in Peru and Chile) are almost certain to wax; readiness to cooperate with the US in local matters or in international forums is almost certain to wane. Terrorist attacks against US officials and installations will continue to take place in a number of countries, including some whose governments are among the friendliest toward the US (e.g., Brazil, Argentina, Uruguay, and Guatemala). The sort of unrest which may develop in certain Caribbean countries will pose delicate problems for the US Government -- because of proximity, extensive US investment and the black-white racial issue. A worrisome situation of quite a different sort -- and one in which US intercession and mediation may be necessary -- is the territorial dispute between Colombia and Venezuela.

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BLACK AFRICA

General Comments

Much of Black Africa remains in a state of ferment and turmoil. Colonial control has, for the most part, been broken and independence achieved, but workable new political and social institutions have not yet been achieved. Economic backwardness is the rule, not the exception. Tribal contests for political power complicate the situation in many African countries; in some of them, resentment of and struggle against Portuguese Colonialism -- or against the attitudes of the South African and Rhodesian governments -- diverts attention and energy from vital domestic concerns. Various outside powers, including the USSR and Communist China, are, without making large expenditures of effort or resources, trying to take advantage of such opportunities as may arise to increase their influence in the area.

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WESTERN EUROPE

General Comments

The broad tendencies in Western Europe likely to be of particular concern to the US are a gradual, <u>de facto</u> loosening of NATO ties and, at the same time, a strengthening and enlargement of the European Economic Community. If this EEC progress is accompanied by a proliferation of preferential trade arrangements with third countries, the adverse effect on US trade patterns

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with Europe would be substantial. With respect to NATO, most of	
the member countries continue to value the protection of the US	
nuclear deterrent, but their worry about the Soviet threat has	
diminished in recent years, and they have become more interested	25X1
than they were in improving relations with Eastern Europe. Beyond	
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NEAR EAST/NORTH AFRICA/SOUTH ASIA

General Comments

This is an area of the world still largely underdeveloped and with extremely uneven concentrations of population and of resources. It is generally an area of conflicts and tensions — the Indo-Pakistan and Arab-Israeli wars are simply the most significant in recent years. It is also an area of the world of major interest to the Soviets and one where they have made great progress during the past decade in reducing Western influence and increasing their own. They have benefitted greatly in this process from their role as champion of the Arab cause in the Arab-Israeli struggle. At the same time, they have capitalized on opportunities afforded by the emergence of anti-colonial, radical governments. They have

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established a naval presence in the Mediterranean and are moving gradually to extend it to the Red Sea, Persian Gulf, and Indian Ocean. The Soviet gains have, of course, entailed large costs and serious problems, a number of which are likely to be recurring. Yet the number of governments in this part of the world still close to the US or generally pro-Western has become quite small -- and certain of them do not appear very solid.

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